

maintain competitive equality between national and state banks, and that the determination as to whether a facility was a branch must be based on the convenience of the customer, rather than on the technical or legal relationship between the customer and the bank. In later cases addressing automated teller machines, the courts generally have rejected arguments that money is lent at the time and place where a loan or line of credit is approved, and instead found that money is lent for the purposes of the McFadden Act when the customer actually receives the funds and interest begins to run on the loan. *See, e.g., IBAA v. Smith*, 534 F.2d 921 (D.C. Cir. 1976).

(c) *Interpretation.* The Board previously had determined that an office engaged in preliminary or servicing functions is not lending money and therefore is not a "branch" for the purposes of the McFadden Act if the loans originated by the office are approved and the funds disbursed at the main office or an approved branch of the bank. *See* 12 CFR 250.141. Whether a loan production office should be considered to be a branch if loans originated by the office are approved at locations other than the main office or a branch of the bank depends on whether the location where loan approval takes place enhances the convenience to the customer and therefore provides a competitive advantage to the bank. Back office facilities that are not accessible to the public are not visited by customers and do not appear to provide customers of the bank with any greater level of convenience. From the point of view of a customer whose loan has been originated at a loan production office, there does not appear to be any difference in the convenience based on whether the loan is approved at the back office facility or at a branch of a bank, as it is unlikely that the customer will visit either location. Based on this analysis, the Board has concluded that a state member bank may establish a back office facility without such a facility being considered to be a branch for the purposes of the McFadden Act. The Board also has determined that loans originated by a loan production office may be approved at a back office location, rather than at the main office or a branch of the bank, without the loan production office being considered to be a branch, provided that the proceeds of loans originated by the loan production office are received by the customer at locations other than a loan production office or back office facility. This interpretation supersedes the

Board's prior interpretation, published at 12 CFR 250.141, as it applies to loan production offices.

By order of the Board of Governors of the Federal Reserve System, March 31, 1995.

**Barbara R. Lowrey,**

*Associate Secretary of the Board.*

[FR Doc. 95-8404 Filed 4-5-95; 8:45 am]

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## SMALL BUSINESS ADMINISTRATION

### 13 CFR Part 107

#### Small Business Investment Companies; Accounting and Financial Reporting Standards

**AGENCY:** Small Business Administration.

**ACTION:** Interim final rule; reopening of comment period.

**SUMMARY:** On February 7, 1995, the Small Business Administration (SBA) published an interim final rule which updated the standards for accounting and financial reporting by Small Business Investment Companies (SBICs), as well as the guidelines for independent public accountants performing audits of SBIC financial statements. The interim final rule established a final date for comments to be submitted to SBA of March 9, 1995. SBA is reopening that comment period until April 30, 1995.

**DATES:** Written comments must be received on or before April 30, 1995.

**ADDRESSES:** Written comments should be sent to Robert D. Stillman, Associate Administrator for Investment, Small Business Administration, Suite 6300, 409 3rd Street SW., 6th floor, Washington, DC 20416.

**FOR FURTHER INFORMATION CONTACT:** Carol Fender, Office of Program Support; telephone no. (202) 205-7559.

**SUPPLEMENTARY INFORMATION:** SBA published an interim final rule on February 7, 1995 (60 FR 7392) which updated and reorganized the accounting standards for the SBIC program. The purpose of the revisions was to reflect recent changes in the SBIC program mandated by the Small Business Investment Act of 1958, as amended, as well as changes in generally accepted accounting principles.

The publication of the interim final rule took place at a time when many SBICs were in the midst of preparing their audited year end financial statements. Thus, a number of SBICs and their independent public accountants may not have had sufficient time to review the rule and to prepare and submit comments to SBA.

Therefore, the comment period is hereby reopened and SBA will accept comments on the interim final rule until April 30, 1995.

Dated: March 31, 1995.

**Philip Lader,**

*Administrator.*

[FR Doc. 95-8475 Filed 4-5-95; 8:45 am]

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## DEPARTMENT OF TRANSPORTATION

### Federal Aviation Administration

#### 14 CFR Part 39

[Docket No. 95-NM-32-AD; Amendment 39-9185; AD 95-06-51]

#### Airworthiness Directives; Lockheed Model L-1011-385 Series Airplanes

**AGENCY:** Federal Aviation Administration, DOT.

**ACTION:** Final rule; request for comments.

**SUMMARY:** This document publishes in the **Federal Register** an amendment adopting Airworthiness Directive (AD) T95-06-51 that was sent previously to all known U.S. owners and operators of Lockheed Model L-1011-385 series airplanes by individual telegrams. This AD requires inspection to detect corrosion, severed braided strands, or fuel leakage of the fuel feed line hose assembly on engine number two; and subsequent inspection or replacement of the fuel hose with a serviceable part, if necessary. This AD also requires treatment of the ends of the fuel hose and modification of the heat-shrunk plastic cover and steel identification band area. This amendment is prompted by a report of failure of an aluminum-braided flexible fuel hose on a Model L-1011-385 series airplane due to corrosion. The actions specified by this AD are intended to prevent failure of a flexible fuel hose, which could result in failure of an engine, loss of fuel, and a resultant fire.

**DATES:** Effective April 21, 1995, to all persons except those persons to whom it was made immediately effective by telegraphic AD T95-06-51, issued March 9, 1995, which contained the requirements of this amendment.

The incorporation by reference of certain publications listed in the regulations is approved by the Director of the Federal Register as of April 21, 1995.

Comments for inclusion in the Rules Docket must be received on or before June 6, 1995.

**ADDRESSES:** Submit comments in triplicate to the Federal Aviation Administration (FAA), Transport Airplane Directorate, ANM-103, Attention: Rules Docket No. 95-NM-32-AD, 1601 Lind Avenue, SW., Renton, Washington 98055-4056.

The applicable service information may be obtained from Lockheed Aeronautical Systems Support Company (LASSC), Field Support Department, Dept. 693, Zone 0755, 2251 Lake Park Drive, Smyrna, Georgia 30080. This information may be examined at the FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington; or at the FAA, Small Airplane Directorate, Atlanta Aircraft Certification Office, Campus Building, 1701 Columbia Avenue, Suite 2-160, College Park, Georgia; or at the Office of the **Federal Register**, 800 North Capitol Street, NW., suite 700, Washington, DC.

**FOR FURTHER INFORMATION CONTACT:** Maddie Miguel, Aerospace Engineer, Propulsion Branch, ACE-115A, FAA, Small Airplane Directorate, Atlanta Aircraft Certification Office, Campus Building, 1701 Columbia Avenue, Suite 2-160, College Park, Georgia 30337-2748; telephone (404) 305-7372; fax (404) 305-7348.

**SUPPLEMENTARY INFORMATION:** On March 9, 1995, the FAA issued telegraphic AD T95-06-51, which is applicable to certain Lockheed Model L-1011-385 series airplanes. That action was prompted by a report of failure of an aluminum-braided flexible fuel hose on a Model L-1011-385 series airplane due to corrosion. This condition, if not corrected, could result in failure of an engine, loss of fuel, and a resultant fire.

The FAA received a report of failure of an aluminum-braided flexible fuel hose located immediately aft of the fuselage rear pressure bulkhead on a Model L-1011-385 series airplane. Ground maintenance personnel found a fuel leak when the airplane arrived at the gate after landing.

The operator performed a preliminary investigation of the fuel hose, and discovered that it was about 75 percent severed at a point approximately 7.0 inches from the inboard end. Inspection of the aluminum braiding in the area of the failure revealed that the braided strands were corroded and brittle. The corrosion occurred in an area of the stainless steel identification band, which has a translucent heat-shrunk plastic cover. The operator conducted subsequent inspections of its fleet and found two airplanes (out of a fleet of five airplanes) having corroded braided material in the area of the identification

band. The cause of this corrosion has not been determined.

The FAA has reviewed and approved Lockheed Service Bulletin 093-28-A091, dated March 8, 1995, which describes procedures for a visual inspection to detect corrosion, severed braided strands, or fuel leakage of the fuel feed line hose assembly on engine number two; and inspections to detect ballooning of the fuel hose, or replacement of the fuel hose with a serviceable part, if necessary. The service bulletin also describes procedures for treatment of the ends of the hose, and modification of the heat-shrunk plastic cover and steel identification band area.

Since the unsafe condition described is likely to exist or develop on other airplanes of the same type design, the FAA issued telegraphic AD T95-06-51. The AD requires an inspection to detect corrosion, severed braided strands, or fuel leakage of the fuel feed line hose assembly on engine number two; and inspections to detect ballooning of the fuel hose, or replacement of the fuel hose with a serviceable part, if necessary. The AD also requires treatment of the ends of the fuel hose; and modification of the heat-shrunk plastic cover and steel identification band area. Replacement of the fuel hose with a serviceable part, if accomplished, terminates the requirements of this AD. The actions are required to be accomplished in accordance with the service bulletin described previously.

Since it was found that immediate corrective action was required, notice and opportunity for prior public comment thereon were impracticable and contrary to the public interest, and good cause existed to make the AD effective immediately by individual telegrams issued on March 9, 1995, to all known U.S. owners and operators of Lockheed Model L-1011-385 series airplanes. These conditions still exist, and the AD is hereby published in the **Federal Register** as an amendment to section 39.13 of the Federal Aviation Regulations (14 CFR 39.13) to make it effective to all persons.

As a result of recent communications with the Air Transport Association (ATA) of America, the FAA has learned that, in general, some operators may misunderstand the legal effect of AD's on airplanes that are identified in the applicability provision of the AD, but that have been altered or repaired in the area addressed by the AD. The FAA points out that all airplanes identified in the applicability provision of an AD are legally subject to the AD. If an airplane has been altered or repaired in the affected area in such a way as to affect

compliance with the AD, the owner or operator is required to obtain FAA approval for an alternative method of compliance with the AD, in accordance with the paragraph of each AD that provides for such approvals. A note has been included in this rule to clarify this long-standing requirement.

#### Comments Invited

Although this action is in the form of a final rule that involves requirements affecting flight safety and, thus, was not preceded by notice and an opportunity for public comment, comments are invited on this rule. Interested persons are invited to comment on this rule by submitting such written data, views, or arguments as they may desire. Communications shall identify the Rules Docket number and be submitted in triplicate to the address specified under the caption **ADDRESSES**. All communications received on or before the closing date for comments will be considered, and this rule may be amended in light of the comments received. Factual information that supports the commenter's ideas and suggestions is extremely helpful in evaluating the effectiveness of the AD action and determining whether additional rulemaking action would be needed.

Comments are specifically invited on the overall regulatory, economic, environmental, and energy aspects of the rule that might suggest a need to modify the rule. All comments submitted will be available, both before and after the closing date for comments, in the Rules Docket for examination by interested persons. A report that summarizes each FAA-public contact concerned with the substance of this AD will be filed in the Rules Docket.

Commenters wishing the FAA to acknowledge receipt of their comments submitted in response to this rule must submit a self-addressed, stamped postcard on which the following statement is made: "Comments to Docket Number 95-NM-32-AD." The postcard will be date stamped and returned to the commenter.

The regulations adopted herein will not have substantial direct effects on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government. Therefore, in accordance with Executive Order 12612, it is determined that this final rule does not have sufficient federalism implications to warrant the preparation of a Federalism Assessment.

The FAA has determined that this regulation is an emergency regulation

that must be issued immediately to correct an unsafe condition in aircraft, and that it is not a "significant regulatory action" under Executive Order 12866. It has been determined further that this action involves an emergency regulation under DOT Regulatory Policies and Procedures (44 FR 11034, February 26, 1979). If it is determined that this emergency regulation otherwise would be significant under DOT Regulatory Policies and Procedures, a final regulatory evaluation will be prepared and placed in the Rules Docket. A copy of it, if filed, may be obtained from the Rules Docket at the location provided under the caption ADDRESSES.

#### List of Subjects in 14 CFR Part 39

Air transportation, Aircraft, Aviation safety, Incorporation by reference, Safety.

#### Adoption of the Amendment

Accordingly, pursuant to the authority delegated to me by the Administrator, the Federal Aviation Administration amends part 39 of the Federal Aviation Regulations (14 CFR part 39) as follows:

#### PART 39—AIRWORTHINESS DIRECTIVES

1. The authority citation for part 39 continues to read as follows:

**Authority:** 49 U.S.C. App. 1354(a), 1421 and 1423; 49 U.S.C. 106(g); and 14 CFR 11.89.

#### § 39.13 [Amended]

2. Section 39.13 is amended by adding the following new airworthiness directive:

**95-06-51 Lockheed Aeronautical Systems Company:** Amendment 39-9185. Docket 95-NM-32-AD.

**Applicability:** Model L-1011-385 series airplanes; as listed in Lockheed Service Bulletin 093-28-A091, dated March 8, 1995; certificated in any category.

**Note 1:** This AD applies to each airplane identified in the preceding applicability provision, regardless of whether it has been modified, altered, or repaired in the area subject to the requirements of this AD. For airplanes that have been modified, altered, or repaired so that the performance of the requirements of this AD is affected, the owner/operator must use the authority provided in paragraph (f) to request approval from the FAA. This approval may address either no action, if the current configuration eliminates the unsafe condition; or different actions necessary to address the unsafe condition described in this AD. Such a request should include an assessment of the effect of the changed configuration on the unsafe condition addressed by this AD. In no case does the presence of any modification,

alteration, or repair remove any airplane from the applicability of this AD.

**Compliance:** Required as indicated, unless accomplished previously.

To prevent failure of a flexible fuel hose, accomplish the following:

(a) Within 100 hours time-in-service or 10 days after the effective date of this AD, whichever occurs first: Accomplish the requirements of paragraphs (a)(1) and (a)(2) of this AD in accordance with Lockheed Service Bulletin 093-28-A091, dated March 8, 1995.

(1) Perform a visual inspection to detect corrosion, severed braided strands, or fuel leakage of the fuel feed line hose assembly, part number (P/N) 96715-107 (Lockheed P/N 740970-107), on engine number two. And

(2) Treat the ends of the fuel hose where the collars are clamped to the braided strands, and modify the heat-shrunk plastic cover and steel identification band area.

(b) If no discrepancy is found during the inspection required by paragraph (a) of this AD: Following accomplishment of the actions required by paragraph (a)(2) of this AD, no further action is required by this AD.

(c) If any corrosion is found during any inspection required by this AD: Prior to further flight, accomplish either paragraph (c)(1) or (c)(2) of this AD in accordance with Lockheed Service Bulletin 093-28-A091, dated March 8, 1995.

(1) Replace the fuel hose with a serviceable part. Or

(2) Inspect the fuel hose thereafter on a daily basis to detect ballooning of the hose. If any ballooning is found, prior to further flight, replace the fuel hose with a serviceable part.

(d) If any severed braided strand or any fuel leak is found during any inspection required by this AD: Prior to further flight, replace the fuel hose with a serviceable part in accordance with Lockheed Service Bulletin 093-28-A091, dated March 8, 1995.

(e) Replacement of the fuel hose assembly with a fuel hose assembly having P/N 740970-113 or P/N 96715-107 (Lockheed P/N 740970-107) constitutes terminating action for the requirements of this AD.

**Note 2:** The preferred replacement fuel hose assembly is P/N 740970-113.

(f) An alternative method of compliance or adjustment of the compliance time that provides an acceptable level of safety may be used if approved by the Manager, Atlanta Aircraft Certification Office (ACO), FAA, Small Airplane Directorate. Operators shall submit their requests through an appropriate FAA Principal Maintenance Inspector, who may add comments and then send it to the Manager, Atlanta ACO.

**Note 3:** Information concerning the existence of approved alternative methods of compliance with this AD, if any, may be obtained from the Atlanta ACO.

(g) Special flight permits may be issued in accordance with §§ 21.197 and 21.199 of the Federal Aviation Regulations (14 CFR 21.197 and 21.199) to operate the airplane to a location where the requirements of this AD can be accomplished.

(h) The actions shall be done in accordance with Lockheed Service Bulletin 093-28-

A091, dated March 8, 1995. This incorporation by reference was approved by the Director of the Federal Register in accordance with 5 U.S.C. 552(a) and 1 CFR part 51. Copies may be obtained from Lockheed Aeronautical Systems Support Company (LASSC), Field Support Department, Dept. 693, Zone 0755, 2251 Lake Park Drive, Smyrna, Georgia 30080. Copies may be inspected at the FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington; or at the FAA, Small Airplane Directorate, Atlanta Aircraft Certification Office, Campus Building, 1701 Columbia Avenue, Suite 2-160, College Park, Georgia; or at the Office of the Federal Register, 800 North Capitol Street, NW., suite 700, Washington, DC.

(i) This amendment becomes effective on April 21, 1995, to all persons except those persons to whom it was made immediately effective by telegraphic AD T95-06-51, issued on March 9, 1995, which contained the requirements of this amendment.

Issued in Renton, Washington, on March 27, 1995.

**Darrell M. Pederson,**

*Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.*  
[FR Doc. 95-8080 Filed 4-5-95; 8:45 am]

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#### 14 CFR Part 39

[Docket No. 95-NM-33-AD; Amendment 39-9189; AD 95-06-52]

#### Airworthiness Directives; Dornier Model 328-100 Series Airplanes

**AGENCY:** Federal Aviation Administration, DOT.

**ACTION:** Final rule; request for comments.

**SUMMARY:** This document publishes in the **Federal Register** an amendment adopting Airworthiness Directive (AD) T95-06-52 that was sent previously to all known U.S. owners and operators of certain Dornier Model 328-100 series airplanes by individual telegrams. This AD requires removal of the bypass outlet plates from the lower cowlings of both engines. This amendment is prompted by reports of engine power rollback/flameout due to ingestion of ice into an engine. The actions specified by this AD are intended to prevent ingestion of ice into an engine, which could result in engine power rollback/flameout.

**DATES:** Effective April 21, 1995, to all persons except those persons to whom it was made immediately effective by telegraphic AD T95-06-52, issued on March 10, 1995, which contained the requirements of this amendment.

The incorporation by reference of certain publications listed in the regulations is approved by the Director